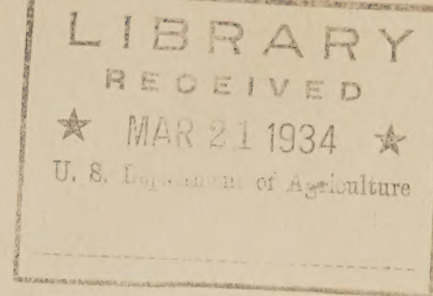


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A B I L L

To amend Sections 8, 10, and 14 of the Agricultural Adjustment Act, to prevent misrepresentations as to the processing tax by purchasers of agricultural commodities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (1) of Section 8 of the Agricultural Adjustment Act as amended, is amended by inserting at the end of the first sentence thereof the following:

"Agreements authorized by this section may include, among others, provisions requiring the producers who are parties to such agreements to reduce or limit acreage and/or production for market of agricultural commodities other than basic agricultural commodities as well as of basic agricultural commodities."

SEC. 2. Subsection (2) of Section 8 of the Agricultural Adjustment Act, as amended, is amended by striking out the present provisions thereof and by substituting in lieu thereof the following:

"Sec. 8(2) After due notice and opportunity for hearing, to enter into marketing agreements with processors, producers, associations of producers, and others engaged in the handling of any agricultural commodity or product thereof, in the current of or in competition with, or so as to burden, obstruct or in any way affect, interstate or foreign commerce. The making of any

such agreement shall not be held to be in violation of any of the antitrust laws of the United States, and any such agreements shall be deemed to be lawful: Provided, That no such agreement shall remain in force after the termination of this Act. For the purpose of carrying out any such agreement the parties thereto shall be eligible for loans from the Reconstruction Finance Corporation under Section 5 of the Reconstruction Finance Corporation Act. Such loans shall not be in excess of such amounts as may be authorized by the agreements."

SEC. 3. Subsections (3) and (4) of Section 8 of the Agricultural Adjustment Act, as amended, are amended by striking out the provisions thereof and by substituting in lieu thereof the following:

"Sec. 8(3) (a) After due notice and opportunity for hearing, (1) to prohibit processors, distributors, (including producers and associations of producers who are processors or distributors), and others from engaging in the handling of any agricultural commodity or product thereof, or any competing commodity or product thereof, in the current of or in competition with, or so as to burden, obstruct, or in any way affect, interstate or foreign commerce, without a license, and (2) to issue licenses to permit processors, distributors, (including producers and associations of producers who are processors or distributors), and others to engage in such handling upon such terms and conditions as the Secretary of Agriculture may deem necessary to effectuate the declared policy of this Act and the restoration of normal economic conditions in the marketing, and/or financing of such commodities or products.

"(b) After due notice and opportunity for hearing, to revoke or suspend any such license as to or of any person or persons for violation of the terms or conditions thereof. Any order of the Secretary of Agriculture so revoking or suspending any such license shall be final if in accordance with law.

"(c) Any licensee exceeding any quota or allotment fixed for him by a license issued pursuant to this subsection shall forfeit to the United States a sum ^{not in excess of} three times the value of such excess, which forfeiture shall be payable into the Treasury of the United States and shall be recoverable in a civil suit brought in the name of the United States. All sums so recovered and paid into the Treasury are hereby appropriated to be available to the Secretary of Agriculture for the purposes described in section 12 (b) of this Act.

"(d) The Secretary of Agriculture shall not incorporate in any license issued pursuant to this subsection provisions for the establishment of quotas or allotments limiting the amount of the commodity with respect to which such license is issued which may be purchased, or in any other way received, by licensees from producers, unless the Secretary of Agriculture determines that such provisions are approved requested (1) by more than two-thirds of the producers who have been engaged in the production of such commodity within the area covered by such license during such period as the Secretary of Agriculture determines to be a representative period of such production, or (2) by producers controlling more than two-thirds of the average acreage, or producing for market more than two-thirds of the average production for market, of such commodity within the area covered by such license during such period as the Secretary of Agriculture determines to be a representative period of such production.

"(e) Any person engaged in such handling without a license in violation of the terms of this subsection, or in violation of the terms of any license issued to or with respect to such person, and any other person knowingly participating in or aiding such handling, and any other person knowingly engaging in or continuing the business of any licensee whose license has been revoked, shall forfeit to the United States the sum of One Thousand Dollars (\$1,000), or such lesser sum as the Secretary of Agriculture may determine, for each day during which such violation, or such continuation of said business, occurs, which forfeiture shall be payable into the Treasury of the United States and shall be recoverable in a civil suit brought in the name of the United States.

"(f) Where the Secretary of Agriculture by the terms of any license or of regulations requires any licensee to submit such accurate reports, or such truthful and responsive answers to interrogatories, or to keep such accounts or systems of accounts, or to permit such access to all books, records, and papers within the control of the licensee, as the Secretary of Agriculture may deem necessary to effectuate the purposes of Part 2. of this Title, all information furnished to or acquired by the Secretary of Agriculture as a result of such requirement shall be kept confidential by all employees of the Department of Agriculture and shall be disclosed only upon lawful demand made by the President or by either House of Congress or any committee thereof, or in response to a subpoena issued by any court of competent jurisdiction, or pursuant to regulations issued by the Secretary of Agriculture. Any such employee violating the provisions of this subdivision shall upon conviction be subject to a fine of not more than One Thousand Dollars (\$1,000) and shall be discharged from office.

"(g) The several district courts of the United States are hereby vested with jurisdiction to prevent and restrain violations of any marketing agreement approved by the Secretary of Agriculture and of any license issued by him, pursuant to the provisions of this Act, and to prevent and restrain any person from handling any agricultural commodity or product thereof or any competing commodity or product thereof, without a license when such handling of such commodity without a license has been prohibited by the Secretary of Agriculture, pursuant to the powers vested in him by this Act.

"(h) The remedies provided for in this subsection shall be in addition to and not exclusive of, any of the remedies or penalties provided for elsewhere in this Act or now or hereafter existing at law or in equity.

"(i) Upon the request of the Secretary of Agriculture it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General, to institute proceedings to enforce the remedies and to collect the forfeitures provided for in this subsection.

"(j) The term 'person', as used in this Act, includes an individual, partnership, corporation, association, and any other business unit."

SEC. 4. Subsection (5) of Section 8 of the Agricultural Adjustment Act, as amended, is hereby renumbered (4).

SEC. 5. Subsection (b) of Section 10 of the Agricultural Adjustment Act, as amended, is amended by inserting after the words "Secretary of Agriculture", the following:

"shall, so far as practicable, utilize in the administration of the Act producer owned and controlled cooperative organizations and"

and by inserting after the words "vested in him by this title", the following:

"such agencies as he may deem necessary, including corporations organized pursuant to the laws of the several States or of the District of Columbia of the territories or possessions to which this title is applicable!" and by adding at the end thereof the following:

"The Secretary of Agriculture may provide that every person licensed by any license which provides for the establishment of any authority or agency within the industry covered by such license in connection with the administration of such license, shall pay his prorata share of all the expenses authorized by the Secretary of Agriculture in the maintenance and functioning of said authority or agency in relation to such administration. Payment is to be made in such amounts and in such manner and to such persons as the Secretary of Agriculture may direct, upon due notice of, and after opportunity for hearing to any party dissatisfied with, the amount of such shares, which notice may be issued and which hearing may take place at the same time as the notice and hearing attendant upon the issuance of the license. The Secretary of Agriculture may institute legal proceedings in his own name or authorize any of the authorities or agencies above mentioned to institute legal proceedings in their own name, and may further authorize such authorities and agencies to take any other steps which may be necessary to collect such shares."

SEC. 6. Section 14 of the Agricultural Adjustment Act, as amended, is amended after the words "remainder of this title and the applicability thereof", by the words "and of such provision."

SEC. 7. The Agricultural Adjustment Act, as amended, is amended by the addition of the following new section numbered "20".

"Sec. 20 (a) Whoever in connection with the purchase of, or offer to purchase, any commodity subject to any tax under this title, or which is to be subjected to any tax under this title, makes any statement, written or oral, (1) intended or calculated to lead any person to believe that any amount deducted from the market price or the agreed price, of the commodity consists of a tax imposed under this title, or (2) ascribing a particular part of the deduction from the market price or the agreed price, of the commodity, to a tax imposed under this title, knowing that such statement is false or that the tax is not so great as the amount deducted from the market price or the agreed price, of the commodity, ascribed to such tax, shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine of not more than \$1,000.00 or by imprisonment for not exceeding one year, or both.

"(b) Whoever in connection with the processing of any commodity subject to any tax under this title, whether commercially, for toll, upon an exchange, or otherwise, makes any statement, written or oral, (1) intended or calculated to lead any person to believe that any part of the charge for said processing, whether commercially, for toll, upon an exchange, or otherwise, consists of a tax imposed under this title, or (2) ascribing a particular part of the charge for processing, whether commercially, for toll, upon an exchange, or otherwise, to a tax imposed under this title, knowing that such statement is false, or that the tax is not so great as the amount charged for said processing ascribed to such tax, shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not more than \$1,000.00 or by imprisonment for not exceeding one year, or both."

